EPICON BERHAD

(formerly known as Konsortium Transnasional Berhad)
Registration No. 200301015160 (617580 - T)
(Incorporated in Malaysia)

Interim Financial Statements

Third Quarter Results Period Ended 30 September 2023



UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2023

	<u>Individu</u>	ıal Quarter	Cumulative Quarter		
	Current	Preceding	Current	Preceding	
	Quarter	Year	Quarter	Year	
	C	orresponding	C	orresponding	
		Quarter		Quarter	
	30 Sep	30 Sep	30 Sep	30 Sep	
	2023	2022	2023	2022	
	RM'000	RM'000	RM'000	RM'000	
Continuing Operations					
Revenue	38,867	16,256	91,274	46,686	
Cost of sales		(13,159)			
Gross profit	7,027	3,097	17,327	10,319	
Other income	70,356 (2,267)	47 (1,198)	70,689 (6,269)	214	
Administrative expenses	(2,267)	(1,198)	(6,269)	(3,509)	
Other operating expenses	(8,515)	(12)	(8,692)	(15)	
Profit from operations		1,934			
Finance costs	(61)		(73)		
Timerios socio	(01)	(3)			
Profit before tax		1,931	72,982	7,006	
	(,,,,,,)	()	()	>	
Income tax expense (Note B6)	(1,392)	(651)	(3,228)	(1,778)	
Profit after tax from continuing					
operations	65,148	1 280	69,754	5,228	
operations	00,140	1,200	00,704	0,220	
Discontinued Operations					
Loss after tax from					
discontinued operations	(5,818)	, ,	(6,227)		
Drofit/(Loop) ofter toy	59,330	(069)	62.527	(40.770)	
Profit/(Loss) after tax	•	(968) ======		` '	
Total Comprehensive Income/					
(Expenses) for the period	59,330	(968)	63,527	(12,778)	
, , ,		` '	=======	=======	
Profit/(Loss) after tax attributable					
to:					
Owners of the Company:					
- continuing operations	65,148	1,280	69,754	5,228	
- discontinued operations	(5,818)	(2,248)	(6,227)	(18,006)	
	59,330	(968)	63,527	(12,778)	
	=======	=======	=======	=======	



UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2023 - CONTINUED

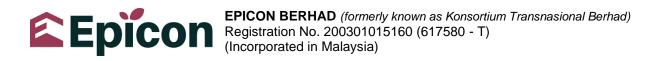
	Individual Quarter		<u>Cumula</u>	tive Quarter
	Current	Preceding	Current	Preceding
	Quarter	Year	Quarter	Year
	C	orresponding	C	orresponding
		Quarter		Quarter
	30 Sep	30 Sep	30 Sep	30 Sep
	2023	2022	2023	2022
	RM'000	RM'000	RM'000	RM'000
Total Comprehensive Income/				
(Expenses) attributable to:				
Owners of the Company:				
- continuing operations	65,148	1 280	69,754	5,228
- discontinued operations	(5,818)		(6,227)	
discontinued operations	(5,515)	(2,240)	(0,221)	(10,000)
	59,330	(968)	63,527	(12,778)
	=======	=======	=======	=======
Profit/(Loca) par chara (San)				
Profit/(Loss) per share (Sen) Basic (Note B14):				
- Continuing operations	12.40	0.27	14.28	1.11
- Discontinued operations	(1.11)		(1.28)	
Discontinued operations	(1.11)	(0.40)	(1.20)	(5.55)
	11.29	(0.21)	13.00	(2.72)
	=======	=======	=======	=======
Diluted (Note B14)				
- Continuing operations	8.59	0.18	9.67	0.74
- Discontinued operations	(0.77)	(0.32)	(0.87)	(2.56)
•				
	7.82	(0.14)	8.80	(1.82)
	=======	=======	=======	=======

The condensed consolidated statement of comprehensive income should be read in conjunction with the audited financial statements for the financial year ended 31 December 2022 and accompanying explanatory notes attached to the interim financial statements.



UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 **SEPTEMBER 2023**

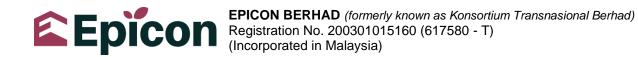
	<u>Unaudited</u> 30 Sep 2023 RM'000	Audited 31 Dec 2022 RM'000
ASSETS		
Non-Current Assets Property, plant and equipment	1,830	24,797
Right-of-use assets	232	24,797 277
Other investments	-	69
	0.000	
	2,062	25,143
Current Assets		
Trade receivables	54,008	28,506
Other receivables, deposits and prepayments	6,786	885
Contract assets Current tax assets	3,057	705 93
Fixed deposits with licensed banks	3,212	4,026
Cash and bank balances	28,837	18,543
	95,900	52,758
Total Assets	97,962	77,901
	========	=========
EQUITY AND LIABILITIES		
Equity		
Share capital	25,341	54,491
Redeemable convertible preference shares	23,300	23,300
Reserves	12,758	23,300 (129,334)
Equity Attributable to Owners of the Company		(51,543)
Non-controlling interests	-	2,196
		(42.42=)
Total Equity	61,399	(49,437)
Non-Current Liabilities		
Other payables and accruals	-	14,115
Lease liabilities	233	233
Provision for retirement benefits	-	1,328
Deferred tax liabilities	-	4,461
	233	20,137



UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 SEPTEMBER 2023 - CONTINUED

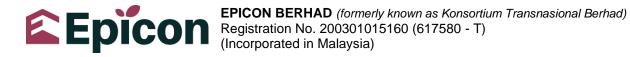
	<u>Unaudited</u> 30 Sep 2023	Audited 31 Dec 2022
	RM'000	RM'000
Current Liabilities		
Trade payables	22,128	20,520
Other payables and accruals	12,074	78,194
Short-term borrowing (Note B10)	-	7,000
Lease liabilities	610	48
Provision for retirement benefits	-	351
Current tax liabilities	1,518	998
	36,330	107,111
Total Liabilities	36,563	127,248
Total Equity and Liabilities	97,962	77,901
Not Assets as a Carlingary Observ	=======	========
Net Assets per Ordinary Share	2.42	(0.44)
Attributable to Owners of the Company (RM)	0.10	(0.11)
	========	========

The condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the financial year ended 31 December 2022 and accompanying explanatory notes attached to the interim financial statements.



UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2023

	Current Year to Date 30 Sep 2023 RM'000	Preceding Year Corresponding Period 30 Sep 2022 RM'000
CASH FLOWS (FOR)/FROM OPERATING ACTIVITIES		
Profit/(Loss) before taxation: - continuing operations	72,982	7,006
- discontinued operations	(6,227)	
	66,755	(10,975)
Adjustments for: Depreciation of property, plant and equipment	5,000	7,429
Depreciation of right-of-use assets	3,000	11
Finance cost	333	233
Impairment loss on property, plant and equipment	8,352	-
Property, plant and equipment written off	193	-
Gain on disposal of investment properties	(400)	<u>-</u>
(Gain)/Loss on disposal of property, plant and equipment	(484)	11,178
Gain on disposal of subsidiaries	(18,627)	- (420)
Interest income Reversal of impairment loss on receivables	(303)	(139) (107)
Waiver of other payables	(51,455)	(107)
Traiter of other payables		
Operating profit before working capital changes	9,403	7,630
Increase in contract assets	(2,352)	
Increase in trade and other receivables	(37,099)	
Increase in trade and other payables	23,325	3,189
Changes in related companies' balances	-	1,329
CASH (FOR)/FROM OPERATIONS	(6,723)	4,172
Interest paid	(270)	
Income tax paid	(2,584)	
Retirement benefits paid	(240)	(117)
NET CASH (FOR)/FROM OPERATING ACTIVITIES	(9,817)	1,859
CASH FLOWS FROM INVESTING ACTIVITIES		
Addition to right-of-use assets	(101)	_
Disposal of subsidiaries, net of cash and cash equivalents	(101)	
disposed of	(727)	-
Interest income received	303	139
Proceeds from disposal of investment properties	400	-
Proceeds from disposal of property, plant and equipment	641	1,735
Purchase of property, plant and equipment	(178)	(7)
NET CASH FROM INVESTING ACTIVITIES	338	1,867

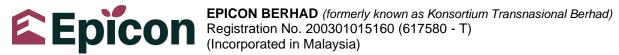


UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2023 - CONTINUED

	Current Year to Date 30 Sep 2023 RM'000	Preceding Year Corresponding Period 30 Sep 2022 RM'000
CASH FLOWS FROM/(FOR) FINANCING ACTIVITIES Addition to pledged fixed deposits Proceeds from issuance of ordinary shares Repayment of lease liabilities	(34) 19,892 (85)	- (4)
NET CASH FROM/(FOR) FINANCING ACTIVITIES	19,773	(4)
NET INCREASE IN CASH AND CASH EQUIVALENTS	10,294	3,722
CASH AND CASH EQUIVALENT AS AT BEGINNING OF PERIOD	18,543	17,041
CASH AND CASH EQUIVALENT AS AT END OF PERIOD	28,837 ======	
The cash and cash equivalents comprise the following:-		
	30 Sep 2023 RM'000	30 Sep 2022 RM'000
Fixed deposits with licensed banks - continuing operations - discontinued operations Cash and bank balances	3,212	3,125 809
- continuing operations - discontinued operations	28,837 -	16,037 792
Less: Fixed deposits pledged to licensed banks	32,049 (3,212)	
	28,837 ======	16,829 ======
Cash and cash equivalents from continuing operations Cash and cash equivalents from discontinued operations	28,837	16,037 792
	28,837	16,829 ======

Fixed deposits with licensed banks are pledged as security for borrowing as disclosed in Note B10 and as security for bank guarantee facilities granted by licensed banks.

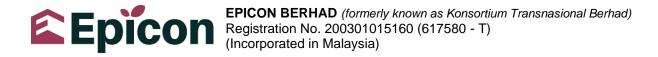
The condensed consolidated cash flows statement should be read in conjunction with the audited financial statements for the financial year ended 31 December 2022 and accompanying explanatory notes attached to the interim financial statements.



UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2023

<	<	Nor	n-Distributable-		>	Distributable			
		Redeemable Convertible					Total Attributable	Non-	
	Share Capital RM'000	Preference Share RM'000	Capital Reserve RM'000	Merger Deficit RM'000	Other Reserves RM'000	Accumulated Losses RM'000	to Owners of the Company RM'000	Controlling Interests RM'000	Total Equity RM'000
Balance at 1 January 2023	54,491	23,300	23,563	(52,991)	(95)	(99,811)	(51,543)	2,196	(49,347)
Profit after taxation for the financial period	-	-	-	-	-	63,527	63,527	-	63,527
Total contributions by owners: - Issuance of ordinary shares	19,892	-	-	-	-	-	19,892	-	19,892
Disposal of subsidiaries	-	-	(23,563)	52,991	95	-	29,523	(2,196)	27,327
Share capital reduction	(49,042)	-	-	-	-	49,042	-	-	-
Balance at 30 September 2023	25,341	23,300	-	-	-	12,758	61,399	-	61,399
Balance at 1 January 2022	54,491	23,300	23,563	(52,991)	(95)	(88,592)	(40,324)	2,196	(38,128)
Loss after taxation for the financial period	-	-	-	-	-	(12,778)	(12,778)	-	(12,778)
Balance at 30 September 2022	54,491	23,300	23,563	(52,991)	(95)	(101,370)	(53,102)	2,196	(50,906)

The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the financial year ended 31 December 2022 and accompanying explanatory notes attached to the interim financial statements.



A. EXPLANATORY NOTES IN ACCORDANCE WITH MFRS 134

A1. Basis of Preparation

Statement of compliance

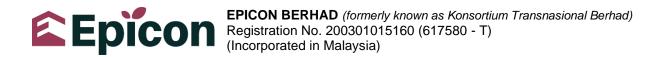
The interim financial statements are unaudited and have been prepared in accordance with the requirements of MFRS 134: Interim Financial Reporting and paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

The interim financial statements should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 December 2022. These explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the year ended 31 December 2022.

Significant accounting policies

- (a) The significant accounting policies and methods of computation adopted by the Group in these interim financial statements are consistent with those adopted in the preparation of the financial statements of the Group for the financial year ended 31 December 2022.
- (b) The Group has not applied in advance the following accounting standards and interpretations (including the consequential amendments) that have been issued by the Malaysian Accounting Standards Board (MASB) but are not yet effective for the current financial period:

MFRSs and Interpretations	Effective for financial periods beginning on or after
Amendments to MFRS 10 and MFRS 128: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred
Amendment to MFRS 101: Classification of Liabilities as Current or Non-current	1 January 2024
Amendments to MFRS 16: Lease Liability in a Sale and Leaseback	1 January 2024
Amendments to MFRS 101: Non-current Liabilities with Covenants	1 January 2024
Amendments to MFRS 107: Supplier Finance Arrangements	1 January 2024
Amendments to MFRS 121: Lack of Exchangeability	1 January 2025



A2. Auditors' Report on the Preceding Annual Financial Statements

The auditors' report of the Company for the financial year ended 31 December 2022 was not subject to any qualification.

A3. Seasonality or Cyclicality Factors

The Group's operations are not subject to any significant seasonal or cyclical factors.

A4. Unusual Items Due to Their Nature, Size or Incidence

There were no items affecting assets, liabilities, equity, net income or cash flows that are unusual because of their nature, size or incidence for the quarter under review other than the recognition of an impairment loss on property, plant and equipment and disposal of subsidiaries.

A5. Material Change in Estimates

There were no significant changes in estimates that have a material effect on the results for the quarter.

A6. Debt and Equity Securities

During the current quarter, 125,000,000 new ordinary shares of the Company were issued in relation to the regularisation plan. The said shares were listed and quoted on the Main Market of Bursa Malaysia Securities Berhad on 21 August 2023.

A7. Dividend Paid

There was no dividend paid during the quarter under review.



A8. **Segmental Reporting**

(a) Primary reporting format – business segment

Current Quarter

Continuing Operations

Public Transportation Services RM'000	Construction works RM'000	Others RM'000	Consolidated RM'000
s 5,848	33,019	-	38,867
43,244	5,766	17,591	66,601
			(61)
			66,540
	Transportation Services RM'000	Transportation Services Works RM'000 RM'000	Transportation Construction Services works Others RM'000 RM'000 S 5,848 33,019 -

Discontinued Operations

	Public Transportation Services RM'000	Others RM'000	Consolidated RM'000
As at 30 Sep 2023 Revenue - sales to external parties	5,625	4	5,629
Segment results	(5,747)	(4)	(5,751)
Finance costs			(67)
Profit before taxation			(5,818)



A8. Segmental Reporting (Cont'd)

(a) Primary reporting format – business segment (Cont'd)

Preceding Quarter

Continuing Operations

	Public Transportation Services RM'000	Construction works RM'000	Others RM'000	Consolidated RM'000
As at 30 June 2023 Revenue				
- sales to external parties	6,280	24,828	<u>-</u>	31,108
Segment results	641	4,715	(1,622)	3,734
Finance costs				(9)
Profit before taxation				3,725
				========

Discontinued Operations

As at 30 June 2023	Public Transportation Services RM'000	Others RM'000	Consolidated RM'000
Revenue - sales to external parties	8,274	-	8,274
Segment results	(40)	(12)	(52)
Finance costs			(95)
Loss before taxation			(147)



A8. Segmental Reporting (Cont'd)

(a) Primary reporting format – business segment (Cont'd)

Preceding Year Corresponding Quarter

Continuing Operations

Public Transportation Services RM'000	Construction works RM'000	Others RM'000	Consolidated RM'000
s 4,712	11,544	-	16,256
======== (611)	2,545	-	1,934
			(3)
			1,931
	Transportation Services RM'000	Transportation Services Works RM'000 RM'000	Transportation Construction Services works Others RM'000 RM'000 ss 4,712 11,544 -

Discontinued Operations

	Public Transportation Services RM'000	Others RM'000	Consolidated RM'000
As at 30 Sep 2022			
Revenue - sales to external parties	5,845	-	5,845
Segment results	(2,126)	(10)	(2,136)
Finance costs			(87)
Loss before taxation			(2,223)
			========

(b) Secondary reporting format – geographical segment

Geographical segment information is not applicable as the operations of the Group are substantially carried out in Malaysia.

A9. Valuation of Property, Plant and Equipment

There were no changes to the valuation of property, plant and equipment since the previous audited financial statements.

A10. Material Events Subsequent to the End of the Quarter Under Review

There was no material event subsequent to the end of the quarter that require disclosure or adjustments to the unaudited interim financial statements.

A11. Changes in the Composition of the Group

The Group have disposed 100% of its interest in Park May Berhad for a consideration of RM1.

Save as disclosed above, there were no other material changes in the composition of the Group for the quarter under review.

A12. Changes in Contingent Liabilities or Contingent Assets

There were no changes in the contingent liabilities or contingent assets of the Group during the quarter under review.

A13. Capital Commitments

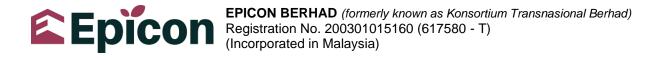
There were no material capital commitments during the quarter under review.

A14. Related Party Transactions

Significant transactions between the Group and related parties are as follows:

	<u>Individual Quarter ended</u>		Cumulative Quarter ended	
	30 Sep	30 Sep	30 Sep	30 Sep
	2023	2022	2023	2022
	RM'000	RM'000	RM'000	RM'000
Related parties				
- Rental of workshop / depo	-	-	30	-
- Purchase of tyres	-	47	100	47
- Bus repair services	-	269	195	794
- Management fees	21	11	43	22
- Purchase of hardware	1	-	1	-
 Purchase of materials 	1,603	-	1,603	-
- Rental of office	13	4	38	4
- Construction services	(7,869)	-	(12,897)	-
	=======	=======	=======	=======

The Directors are of the opinion that all the above transactions have been entered into the normal course of business and have been established on negotiated terms which the Directors are satisfied as not being detrimental to the Group and the Company.



B. ADDITIONAL INFORMATION REQUIRED BY BURSA SECURITIES LISTING REQUIREMENTS

B1. Review of Group's Results for the Quarter Ended 30 September 2023

Quarter Ended 30 September 2023 compared to Quarter Ended 30 September 2022

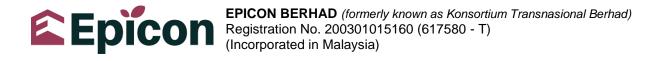
	3 months ended	3 months ended	Cha	
	30 Sep 2023 RM'000	30 Sep 2022 RM'000	RM'000	inges %
Continuing Operations Revenue				
- Public transportation services - Construction work	5,848 33,019	4,712 11,544	1,136 21,475	24.11 186.03
	38,867	16,256 ======	22,611	139.09
Profit/(Loss) before tax				
Public transportation servicesConstruction workOthers	43,191 5,760 17,589	(614) 2,545 -	43,805 3,215 17,589	(7,134.36) 126.33 -
	66,540	1,931 ======	64,609	3,345.88

In this quarter under review, the Group had discontinued its express bus business operations, and its continuing operations recorded a higher revenue of RM38.87 million as compared to RM16.26 million in the previous year corresponding quarter with the construction business being the main contributor representing 85% of the Group's total revenue.

With higher construction work done as well as commencement of new construction projects, the revenue from the construction business has increased by 186.0% in the current quarter under review as compared to the previous year corresponding quarter. Revenue from the public transportation services business has also improved in the current quarter under review mainly due to the higher kilometer served by the stage bus business.

The Group's achieved a profit before tax ("PBT") of RM66.54 million for the current quarter under review as compared to RM1.93 million in the corresponding quarter of the preceding financial year. This is mainly due to the one-off gain from the debt waiver of RM51.5 million and disposal of subsidiary of RM18.6 million as part of the Group's regularisation plan that was completed on 24 August 2023. However, the one-off gain is partially offset by an impairment loss of buses for the public transportation business.

For the construction business, the Group achieved a PBT of RM5.8 million for this quarter under review.



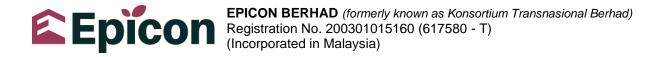
B1. Review of Group's Results for the Quarter Ended 30 September 2023 (Cont'd)

Nine Months Ended 30 September 2023 compared to Nine Months Ended 30 September 2022

	9 months ended 30 Sep 2023	9 months ended 30 Sep 2022		anges
	RM'000	RM'000	RM'000	%
Continuing Operations Revenue				
- Public transportation services	18,035	15,250	2,785	18.26
- Construction work	73,239	31,436	41,803	132.98
	91,274	46,686	44,558	95.51
	=======	=======		
Profit/(Loss) before tax				
Public transportation services	44,107	(234)	44,341	(18,949.15)
Construction work	13,409	7,240	6,169	85.21 [°]
Others	15,466	-	15,466	-
	72,982	7,006	65,976	941.71
	=======	=======		

For the 9 months financial period ended 30 September 2023, the Group's continuing operations recorded a higher revenue of RM91.3 million as compared to RM46.7 million in the preceding corresponding financial period. This represents an increase of 95.5% mainly contributed from the higher construction work done in the current financial period.

As previous mentioned above, with the one-off gain from the debt waiver and disposal gain which forms part of the Group's regularisation plan, the Group achieved a PBT of RM73.0 million which shows an improvement of 941.71% as compared to RM7.0 million in the preceding corresponding financial period.



B2. Variation of Results Against Preceding Quarter

	3 months ended	3 months ended		
	30 Sep 2023	30 June 2023	Cha	inges
	RM'000	RM'000	RM'000	%
Continuing Operations Revenue				
- Public transportation services	5,848	6,280	(432)	(6.88)
- Construction work	33,019	24,828	8,191	32.99
	38,867	31,108	7,759	24.94
	=======	=======		
Profit/(Loss) before tax				
Public transportation services	43,191	641	42,550	6,638.07
Construction work	5,760	4,709	1,051	22.32
Others	17,589	(1,625)	19,214	(1,182.40)
	66,540	3,725	62,815	1,686.31
	=======	=======		

The Group's revenue from its continuing operations increased by 24.9% from RM31.1 million to RM38.9 million mainly due to higher revenue contribution from its construction business with higher percentage of construction work done in current quarter as compared to its immediate preceding quarter.

With the completion of its regularisation plan in the current quarter, the Group's PBT increased by 1,686.3% to RM66.5 million as compared to RM3.7 million in the immediate preceding quarter mainly due to the one-off gain as explained in B1 section.

B3. Prospects of the Group

Moving forward, the Group will continue to focus on its construction business, which currently contributes 85% of the Group's total revenue.

The Group will primarily concentrate on construction work for affordable housing projects, believing this sector will maintain strong demand. The Group anticipates more opportunities in this segment, particularly with the various incentives announced under Budget 2024 for the affordable housing sector. These incentives include an allocation of RM385 million towards the Program Rumah Mesra Rakyat, RM460 million towards the extremely underprivileged in rural areas for building or repairing their homes, and an increase in the Housing Credit Guarantee Scheme of up to RM10 billion.

With the underground utilities work awarded in October 2023, the Group also marks its first foray into civil and infrastructure work, expecting to secure more contracts from this segment in the near term.

Regarding the public transportation services, the Group is participating in the tender for the Stage Bus Service Transformation (SBST) program in Negeri Sembilan and will continue to seek business opportunities in providing stage bus services in other cities or states.

B4. Profit Forecast

The Group did not publish any profit forecast during the quarter.

B5. Explanation Note on Profit Forecast

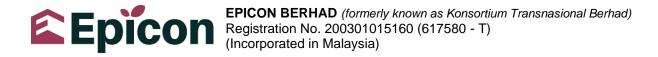
Not Applicable.

B6. Income Tax Expense

Tax expense comprises of the followings:

	<u>Individual (</u>	Quarter ended	Cumulative Quarter end	
	30 Sep	30 Sep	30 Sep	30 Sep
	2023	2022	2023	2022
	RM'000	RM'000	RM'000	RM'000
Continuing Operations				
Current tax expense:				
 for the financial period 	1,382	611	3,218	1,738
 under provision in the 				
previous year	10	40	10	40
	1,392	651	3,228	1,778
	========	========	========	========

Income tax is calculated at the Malaysian statutory tax rate of 24% of the estimated assessable profit for the financial period.



B7. Sale of Unquoted Investments, or Properties

There was no material disposal of unquoted investments, or properties during the quarter except the disposal of Park May Berhad as disclosed in Note A11.

B8. Purchase or Disposal of Quoted and Marketable Securities

There was no purchase or disposal of quoted and marketable securities during the quarter.

B9. Corporate Proposals

On 27 September 2022, AmInvestment Bank Berhad had, on behalf of the Board of Directors of Konsortium Transnasional Berhad ("KTB") submitted to Bursa Securities a proposed regularisation plan which comprise of the following proposals to regularise its financial condition in accordance with Paragraph 4.2 of PN17 of the Listing Requirements:-

- (a) proposed disposal of 74,996,022 ordinary shares in Park May Berhad ("**PMB**"), representing the entire equity interest in PMB via a conditional share sale agreement ("SSA") dated 27 September 2022 with Nadicorp Holdings Sdn Bhd for a cash consideration of RM1.00:
- (b) proposed reduction of the issued share capital of the Company pursuant to Section 116 of the Companies Act, 2016; and
- (c) proposed private placement of 125,000,000 new KTB Shares, representing approximately 26.61% of the existing number of issued shares of KTB at an issue price of RM0.16 per Placement Share to 14 identified placees via the subscription agreements entered into between KTB and the respective placee on 27 September 2022.

On 31 May 2023, the proposed regularisation plan has been approved by Bursa Securities, and subsequently approved by the shareholders at the Extraordinary General Meeting held on 13 July 2023.

On 10 August 2023, High Court granted an order confirming the proposed share capital reduction pursuant to Section 116 of the Act and the sealed copy of the order has been lodged with the Registrar of Companies on 16 August 2023. Following the completion of the Proposed Share Capital Reduction, all the conditions precedent of the SSA and Subscription Agreements have been fulfilled on 16 August 2023. Accordingly, the SSA and Subscription Agreements have become unconditional in accordance with its respective terms and conditions on even date. Furthermore, the SSA has been completed in accordance with its terms and conditions on even date.

On 23 August 2023, Bursa Securities granted the listing and quotation for the 125,000,000 new KTB Shares pursuant to the Proposed Private Placement, with effect from 24 August 2023 and the private placement has been completed on even date.

Thus, the Regularisation Plan has been completed on 24 August 2023.



B9. **Corporate Proposals (Cont'd)**

Utilisation of Proceeds from Private Placement

As at 30 September 2023, the status of the utilisation of the proceeds raised from the private placement is as follows:-

Category	Utilisation of proceeds RM'000	Amount utilised at 30 Sep 2023 RM'000	Balance of proceeds RM'000	Time frame for utilisation of proceeds RM'000
In respect of the current period:				
Working capital for the				
construction business	17,200	5,835	11,365	18 months
Estimated expenses	2,800	2,800	-	3 months
Total	20,000	8,635	11,365	
	=======	=======	=======	

B10. **Borrowing (Secured)**

The Group's borrowing as at the end of the reporting period is as follows:

	<u>Unaudited</u> 30 Sep 2023 RM'000	<u>Audited</u> 31 Dec 2022 RM'000
Short term borrowing: Revolving credit	-	7,000
	========	========

B11. **Off Balance Sheet Financial Instruments**

There were no off balance sheet financial instruments as at the date of this report.

B12. **Material Litigation**

The Company and its subsidiaries have no outstanding material litigation as at the date of this announcement.



B13. **Dividend Proposed**

There was no dividend declared or proposed by the Company during the quarter under review.

B14. Earnings per Share (EPS)

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	Individual C	Quarter ended	Cumulative Quarter ended	
	30 Sep 2023	30 Sep 2022	30 Sep 2023	30 Sep 2022
Profit/(Loss) after tax attributable to ordinary shareholders (RM'000)				
 Continuing operations 	65,148	1,280	69,754	5,228
 Discontinued operations 	(5,818)	(2,248)	(6,227)	(18,006)
	59,330	(968)	63,527	(12,778)
	=======	=======	=======	=======
Weighted average number of ordinary shares in issue ('000)	525,504 ======	469,798 ======	488,570 ======	469,798 ======
Basic EPS (Sen)				
- Continuing operations	12.40	0.27	14.28	1.11
 Discontinued operations 	(1.11)	(0.48)	(1.28)	(3.83)
	11.29	(0.21)	13.00	(2.72)
	=======	=======	=======	=======



Earnings per Share (EPS) (Cont'd) B14.

Diluted

Dilutou	Individual Q 30 Sep 2023	Ruarter ended 30 Sep 2022	Cumulative G 30 Sep 2023	Quarter ended 30 Sep 2022
Profit/(Loss) after tax attributable to ordinary shareholders (RM'000)				
- Continuing operations - Discontinued operations	65,148 (5,818)	1,280 (2,248)	69,754 (6,227)	5,228 (18,006)
	59,330	(968)	63,527	, , ,
Weighted average number of ordinary shares in issue ('000)	525,504	469,798	488,570	469,798
Weighted average number of new ordinary shares, assumption on conversion of the remaining: - RCPS ('000)	233,000	233,000	233,000	233,000
	758,504	702,798	721,570	702,798
		=======	=========	========
Diluted EPS (Sen) - Continuing operations - Discontinued operations	8.59 (0.77)	0.18 (0.32)	9.67 (0.87)	0.74 (2.56)
	7.82 ======	(0.14)	8.80 =====	(1.82)

B15. Notes to the Statement of Comprehensive Income

	Individual Quarter ended		Cumulative Quarter ended	
	30 Sep	30 Sep	30 Sep	30 Sep
	2023	2022	2023	2022
	RM'000	RM'000	RM'000	RM'000
Profit/(Loss) before tax is				
arrived at after crediting:				
Gain on disposal of investment				
properties	400	-	400	-
Gain on disposal of subsidiaries	18,627	-	18,627	-
(Loss)/Gain on disposal of				
property, plant and equipment	(72)	257	484	(11,178)
Government wage subsidy	-	4	-	2,431
Interest income	156	47	303	139
Reversal of impairment loss on receivables	_	_	_	107
Waiver of payables	51,455	-	51,455	-
and after charging:				
Finance cost	(128)	(87)	(333)	(233)
Depreciation of property				
plant and equipment	(1,496)	(2,052)	(5,000)	(7,429)
Depreciation of right-of-use				
asset	(13)	(11)	(39)	(11)
Impairment loss on property				
plant and equipment	(8,352)	-	(8,352)	-
Property, plant and equipment				
written off	(100)	-	(193)	-
==	======	=======	=======	=======

B16. Authorised for Issue

The interim financial statements were authorised for issue by the Board in accordance with a resolution of the Directors on 23 November 2023.